

AN ORDINANCE **9 6 7 0 4**

AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT FOR TEN YEARS AND 150 DAYS WITH JMR DEVELOPMENT, INC., D/B/A QUIZNO'S CLASSIC SUBS, ET AL, AS TENANT, FOR THE USE OF APPROXIMATELY 1,742 SQUARE FEET OF RETAIL/OFFICE SPACE AND TWO (2) ASSIGNED PARKING SPACES IN THE ST. MARY'S STREET PARKING GARAGE, LOCATED AT TRAVIS AND NORTH ST. MARY'S STREETS, AT A MONTHLY RENT OF \$2,613.00 FOR YEARS 1 THROUGH 5, INCREASING TO \$2,903.33 FOR YEARS 6 THROUGH 10, MONTHLY COMMON AREA MAINTENANCE (CAM) CHARGES OF \$137.91 FOR YEARS 1 THROUGH 5, INCREASING TO \$152.43 FOR YEARS 6 THROUGH 10, AND \$125.00 PER MONTH PER PARKING SPACE FOR THE ENTIRE TERM, WITH RENT ABATED FOR THE FIRST 150 DAYS, AND TWO (2) FIVE (5) YEAR OPTIONS TO RENEW, SUBJECT TO CITY COUNCIL APPROVAL; AUTHORIZING PAYMENT OF \$26,130.00 TO TENANT FOR LEASEHOLD IMPROVEMENTS; AND AUTHORIZING PAYMENT OF REAL ESTATE BROKERAGE COMMISSIONS TO PROVIDENCE COMMERCIAL REAL ESTATE SERVICES, INC. AND THE WEITZMAN GROUP OF \$16,374.80.

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WHEREAS, JMR Development, Inc., a Texas Corporation, d/b/a Quizno's Classic Subs, et al ("Tenant") desires to enter into a Lease Agreement with the City to use approximately 1,742 square feet of retail/office space and two assigned parking spaces in the St. Mary's Street Parking Garage located at the intersection of Travis and N. St. Mary's Street for a term of 10 years and 150 days at a monthly rental of \$2,613.00 for years 1 through 5, increasing to \$2,903.33 for years 6 through 10, monthly Common Area Maintenance (CAM) charges of \$137.91 for years 1 through 5, increasing to \$152.43 for years 6 through 10, and \$125.00 per month per parking space for the entire term, with rent abated for the first 150 days, and two (2) five (5) year options to renew, subject to City Council approval; and

WHEREAS, a finish out allowance of \$26,130.00 to the Tenant for leasehold improvements; and an amount of \$16,374.80 will be made to Providence Commercial Real Estate Services, Inc. and the Weitzman Group for real estate brokerage commissions; and

WHEREAS, approval of this ordinance is consistent with City policy to generate revenues through the leasing of City-owned properties and is the first lease at the St. Mary's Street Garage; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The execution of a Lease Agreement is hereby authorized between the City of San Antonio, as Landlord, and JMR Development, Inc., a Texas Corporation, d/b/a Quizno's Classic Subs, et al, as Tenant, for approximately 1,742 square feet of retail/office space and two assigned parking spaces in the St. Mary's Street Parking Garage located at the intersection of

Travis and N. St. Mary's Street, for a 10 year and 150 day term at rentals set forth above and detailed in the Lease. A copy of the Lease Agreement, signed on behalf of the Tenant, is attached hereto and incorporated herein as if set out verbatim for all purposes as **Attachment I**.

SECTION 2. The City Manager or her designee is authorized to execute the Lease Agreement referenced in **SECTION 1**.

SECTION 3. The proceeds from this agreement shall be deposited into Fund No. 53-004 entitled "Parking Revenue Fund," Index Code 058594, entitled "St. Mary's Garage Lease Revenue."

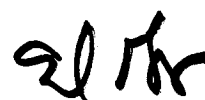
SECTION 4. Funds in the amount of \$16,374.80 are authorized to be expended in Fund 53-001000 (Parking Operation and Maintenance Fund) in Index Code 259358, entitled, "Fees to Professional Contractors" to **Providence Commercial Real Estate Services, Inc.**, and The **Weitzman Group** of real estate broker's Commission.

SECTION 5. Funds up to the amount of \$26,130.00 are authorized to be expended in Fund 53-001000 (Parking Operation and Maintenance Fund) in Index Code 258939, entitled, "Maintenance and Repair- Buildings and Improvements" to **JMR Development** for tenant's leasehold improvements to the leased premises.

SECTION 6. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Index Codes and Fund Numbers as necessary to carry out the purposes of this Ordinance.

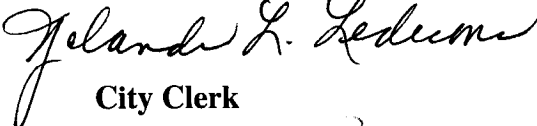
SECTION 7. This ordinance shall be effective on the 24th day of November, 2002.

PASSED AND APPROVED this 14th day of November, 2002.



M A Y O R

EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney